GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1964
ANSWERED ON:13.03.2008
INDO IRAN GAS PIPELINE
Fanthome Shri Francis

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Pakistan has agreed to reduce tariff/transit fee for gas from Iran to India;

(b) if so, the details of the tariff/transit fee now proposed by Pakistan and the reaction of the Government thereon;

(c) the steps taken to resolve this issue bilaterally;

(d) the details of the commitments given by Pakistan regarding safety of the Indo-Iran gas pipeline;

(e) the time by when this gas pipeline agreement is likely to be finalised; and

(f) the countries which have agreed to be co-signatories to this agreement?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) to (f): India is pursuing the import of natural gas from Iran through Iran-Pakistan-India(IPI) Gas Pipeline Project. India and Pakistan have been discussing inter alia payment oftransportation tariff and transit fees for passage of natural gas through Pakistan territory.It has been agreed that transportation tariff for passage of gas through Pakistan shall be basedon cost of service to be achieved through International Competitive Bidding.However, discussionsare continuing regarding transit fees. Five meetings of India-Pakistan (JWG) have been held. Six meetings of tripartite JWG of Iran, Pakistan and India have been held. Suitable provisionswill be included in the contract with the Pakistan side for safety & security of the pipeline.Such multilateral projects involve protracted discussions, as all the aspects have to becarefully examined and deliberated upon to the satisfaction of the participating countriesto protect each country's interests and avoid any problems in the future in the successfuloperation of the project. Finalization of the agreement can be achieved when satisfactoryresolution of issues under discussion is reached by the countries participating in the project,viz., Iran, Pakistan and India.